

New Century expands working capital facilities with Värde Partners to A\$100 million

Highlights:

- Existing senior secured debt facilities expanded from a total A\$60M to A\$100M on improved overall terms
- Century operations continue to track toward another record production quarter and December guidance (27,000t - 33,000t and C1 costs of US\$0.87/lb to US\$0.98/lb)
- Scavenger circuit upgrade commissioning progressing well, with current weekly performance tracking 52% zinc recovery and an 8.8Mtpa mining rate
- Rougher upgrade (allowing expansion to 12Mtpa) on schedule for March 2020
- Restarted Century operations have now surpassed 100,000t zinc metal production

New Century Resources Limited (ASX:NCZ) is pleased to announce the execution of a binding term sheet subject to documentation in relation to the expansion of existing working capital facilities with Värde Partners, a leading global alternative investment firm, from a total A\$60 million to A\$100 million.

Additional Facility Details

The terms of the additional A\$40 million facility represent a significant reduction in cost from the originally proposed unsecured junior facility (see ASX announcement 18 February 2019).

The facility has a term of 2.5 years, carries an interest rate of 8% per annum and first ranking security over all Century assets. It also includes a limited term silver royalty and options allocation as detailed in the table below. New Century will also be required to pay customary fees associated with establishment of the additional facility and early repayment fees (if incurred).

A binding term sheet for the facility has been executed, in addition to acquiring the required consents from MMG Ltd, with the facility now remaining subject to completion of customary documentation only. NCZ wishes to acknowledge the support received from both MMG Ltd and Värde Partners through the process of expanding the Company's senior secured working capital facilities.

Funds from the facility will be used to ensure appropriate working capital availability during the ramp up of Century operations over the course of FY20.

Värde Debt Facility Terms Summary

Facility	Existing A\$60M Facility	Additional A\$40M Facility
Facility Type	<i>Senior Secured (all assets)</i>	<i>Senior Secured (all assets)</i>
Facility Amount	<i>A\$60,000,000 (US\$42,900,000)</i>	<i>A\$40,000,000 (US\$27,400,000)</i>
Term	<i>2.5 years</i>	<i>2.5 years</i>
Interest Rate	<i>8% per annum</i>	<i>8% per annum</i>
Silver Royalty	<i>20% of payable silver production limited to 4 years (capped at US\$5M total)</i>	<i>10% of payable silver production limited to 4 years</i>
Options	<i>None</i>	<i>25M options at \$0.25/share, 3.5 year term</i>
Material Conditions Precedent	<i>None</i>	<i>None</i>

Operational Update

December 2019 quarterly performance remains on track for record metal production and achievement of guidance for both metal production and C1 costs (27,000t - 33,000t zinc metal and C1 costs of US\$0.87/lb to US\$0.98/lb, payable metal including treatment charges).

Commissioning of the upgraded scavenger circuit is continuing to progress well, with the plant now stabilised and operations regularly delivering daily metal production records. The current weekly performance of the operations is tracking 52% zinc recovery and an 8.8Mtpa mining rate.

The third upgrade as part of the planned ramp up to 12Mtpa, being the rougher circuit, remains on track to come online in March 2020.

About Värde Partners

Värde Partners is a leading global alternative investment firm. Founded in 1993, the firm has invested more than \$68 billion since inception and manages over \$14 billion on behalf of a global investor base.

The firm's investments span corporate and traded credit, real estate and mortgages, private equity and direct lending. Värde employs more than 300 professionals across 13 offices worldwide. For more information, please visit www.varde.com.

The Company is not aware of any reason why the ASX would not allow trading in its securities to recommence immediately.

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